| Form 3160-3 (September 2001) | | | OMB N | APPROVE No. 1004-01 | 36 |
|--|---|-------------------------|--|------------------------|-----------------|
| UNITED STATES | | anuary 31, 2 | 004 | | |
| DEPARTMENT OF THE II | 5. Lease Serial No. UTU-77339 | | | | |
| BUREAU OF LAND MANA | | | 6. If Indian, Allott | | Name |
| APPLICATION FOR PERMIT TO DI | RILL OR REENTER | | N | | |
| 1a. Type of Work: DRILL REENTE | | | 7. If Unit or CA Ag | | lame and No. |
| Tal. Type of Work. Call DRILL | K | | N// | | |
| 1b. Type of Well: | Single Zone Multi | ple Zone | 8. Lease Name and Federal 13 | | |
| 2. Name of Operator | | | 9. API Well No, | _ | |
| Newfield Production Company | las mi | | | 01333 | 3992 |
| 3a. Address Pouto #3 Roy 3630 Muton LIT 84053 | 3b. Phone No. (include area code) | | 10. Field and Pool, o | | |
| Route #3 Box 3630, Myton UT 84052 4. Location of Well (Report location clearly and in accordance with | (435) 646-3721 | | Monument to | | indensina |
| | | | 11. Sec., 1., K., M., | or bik. and | Survey or Area |
| | 14 - 110.149.51 | | SW/SW Sec. | 20, T8S F | R16E |
| 14. Distance in miles and direction from nearest town or post office* | | | 12. County or Parish | | 13. State |
| Approximatley 8.9 miles southwest of Myton, Utah | | | Duchesne | | UΤ |
| 15. Distance from proposed* location to nearest | 16. No. of Acres in lease | 17. Spacing | ng Unit dedicated to this well | | |
| property or lease line, ft. (Also to nearest drig. unit line, if any) Approx. 660' f/lse, NA' f/unit | 557.08 | | 40 Acres | | |
| 18. Distance from proposed location* | 19. Proposed Depth | 20. BLM/B | /BIA Bond No. on file | | |
| applied for, on this lease, ft. Approx. 1250' | to nearest well, drilling, completed, applied for, on this lease, ft. Approx. 1250' 6480' | | WYB000493 | | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) | 22. Approximate date work will sta | rt* | 23. Estimated durati | on | |
| 5551' GL | 4th Quarter 2008 | | Approximately seven (7) days from spud to rig release. | | |
| | 24. Attachments | | | | |
| The following, completed in accordance with the requirements of Onshor | e Oil and Gas Order No.1, shall be att | ached to this | form: | | |
| Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System I SUPO shall be filed with the appropriate Forest Service Office). | Item 20 above). 5. Operator certification | ation. specific info | s unless covered by an | | • |
| 25. Signature | Name (Printed/Typed) | | | Date | |
| Mandie Crozier | | | | 5/28/0 | 8 |
| Title Regulatory Specialist | | | | | |
| Approved by (Signature) | Name (Printed/Typed) BRADLEY G | . HILL | | Date OC | 09-08 |
| Title | Offi ENVIRONMENTAL N | MANAGER | | | |
| Application approval does not warrant or certify the the applicant holds leg operations thereon. Conditions of approval, if any, are attached. | gal or equitable title to those rights in | the subject le | ase which would entitl | e the applic | cant to conduct |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this Action is Necessary

RECEIVED JUN 0 4 2008

DIV. OF OIL, GAS & MINING

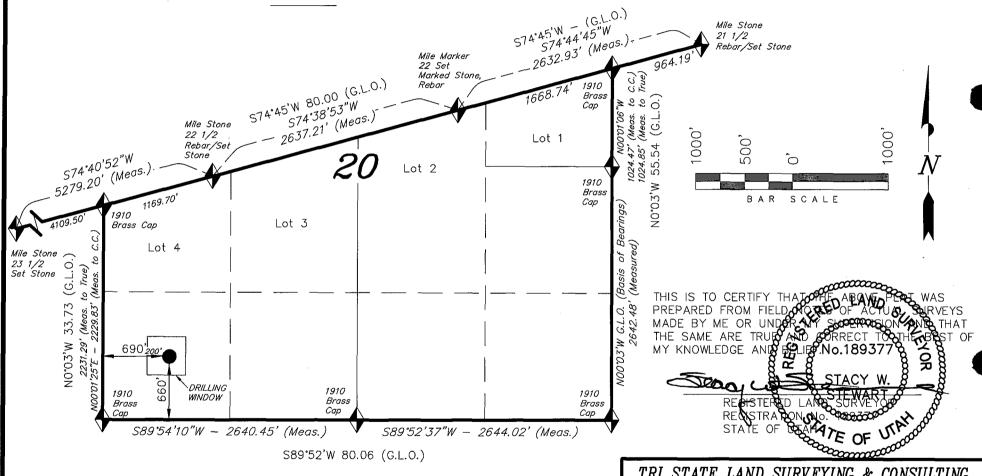
T8S, R16E, S.L.B.&M.

NEWFIELD PRODUCTION COMPANY

WELL LOCATION: FENCELINE 13-20-8-16

ELEV. UNGRADED GROUND = 5550.5'

WELL LOCATION, FENCELINE 13-20-8-16, LOCATED AS SHOWN IN THE SW 1/4 SW 1/4 OF SECTION 20, T8S, R16E, S.L.B.&M. DUCHESNE COUNTY, UTAH.



= SECTION CORNERS LOCATED

BASIS OF ELEV: U.S.G.S. 7-1/2 min QUAD (MYTON SW)

FENCELINE 13-20-8-16 (Surface Location) NAD 83 $LATITUDE = 40^{\circ} 05' 52.73''$ LONGITUDE = 110° 09' 00.90"

TRI STATE LAND SURVEYING & CONSULTING

180 NORTH VERNAL AVE. - VERNAL, UTAH 84078 (435) 781-2501

| DATE SURVEYED: 11-27-07 | SURVEYED BY: C.M. |
|----------------------------|-------------------|
| DATE DRAWN: 12-19-07 | DRAWN BY: M.W. |
| REVISED: | SCALE: 1" = 1000' |

NEWFIELD PRODUCTION COMPANY FEDERAL 13-20-8-16 SW/SW SECTION 20, T8S, R16E DUCHESNE COUNTY, UTAH

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. <u>ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:</u>

Uinta 0' - 2840' Green River 2840' Wasatch 6480'

3. <u>ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:</u>

Green River Formation 2840' - 6480' - Oil

4. PROPOSED CASING PROGRAM

Please refer to the Monument Butte Field Standard Operation Procedure (SOP).

5. <u>MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:</u>

Please refer to the Monument Butte Field SOP. See Exhibit "C".

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

Please refer to the Monument Butte Field SOP.

7. <u>AUXILIARY SAFETY EQUIPMENT TO BE USED:</u>

Please refer to the Monument Butte Field SOP.

8. <u>TESTING, LOGGING AND CORING PROGRAMS:</u>

Please refer to the Monument Butte Field SOP.

9. <u>ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:</u>

The anticipated maximum bottom hole pressure is 1800 psi. It is not anticipated that abnormal temperatures will be encountered.

10. ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:

Please refer to the Monument Butte Field SOP.

NEWFIELD PRODUCTION COMPANY FEDERAL 13-20-8-16 SW/SW SECTION 20, T8S, R16E DUCHESNE COUNTY, UTAH

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Newfield Production Company well location site Federal 13-20-8-16 located in the SW 1/4 SW 1/4 Section 20, T8S, R16E, Duchesne County, Utah:

Proceed southwesterly out of Myton, Utah along Highway 40 - 1.4 miles \pm to the junction of this highway and UT State Hwy 53; proceed southwesterly -6.9 miles \pm to it's junction with the beginning of the proposed access road to the west; proceed westerly along the proposed access road - 3070' \pm to the proposed well location.

2. PLANNED ACCESS ROAD

See Topographic Map "B" for the location of the proposed access road.

3. LOCATION OF EXISTING WELLS

Refer to Exhibit "B".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

All permanent surface equipment will be painted Carlsbad Canyon.

Please refer to the Monument Butte Field Standard Operating Procedure (SOP).

5. LOCATION AND TYPE OF WATER SUPPLY

Newfield Production will transport water by truck for drilling purposes from the following water sources:

Johnson Water District Water Right: 43-10136

Neil Moon Pond

Water Right: 43-11787

Maurice Harvey Pond Water Right: 47-1358

Newfield Collector Well

Water Right: 41-3530 (A30414DV, contracted with the Duchesne County Conservancy District).

Please refer to the Monument Butte Field SOP. See Exhibit "A".

6. SOURCE OF CONSTRUCTION MATERIALS

Please refer to the Monument Butte Field SOP.

7. <u>METHODS FOR HANDLING WASTE DISPOSAL</u>

Please refer to the Monument Butte Field SOP.

8. <u>ANCILLARY FACILITIES</u>

Please refer to the Monument Butte Field SOP.

9. WELL SITE LAYOUT

See attached Location Layout Diagram.

10. PLANS FOR RESTORATION OF SURFACE

Please refer to the Monument Butte Field SOP.

SURFACE OWNERSHIP - Bureau Of Land Management (Proposed location and access roads leading to).

12. OTHER ADDITIONAL INFORMATION

The Archaeological Resource Survey and Paleontological Resource Survey for this area are attached. MOAC Report #08-102, 5/9/08. Paleontological Resource Survey prepared by, Wade E. Miller, 4/30/08. See attached report cover pages, Exhibit "D".

Newfield Production Company requests 3070' of disturbed area be granted in Lease UTU-77339 to allow for construction of the planned access road. Refer to Topographic Map "B". A permanent width of 30' and a running surface of 18' is proposed for the planned access road. The construction phase of the planned access road will last approximately (5) days. The planned access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is deemed necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%. There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road. There are no fences encountered along this proposed road. There will be no new gates or cattle guards required. All construction material for this access road will be borrowed material accumulated during construction of the access road.

Newfield Production Company requests 3070' of disturbed area be granted in Lease UTU-77339 to allow for construction of the proposed surface gas lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a 6" gas gathering line, and a 3" poly fuel gas line and 30' wide upon completion of the proposed gas lines. Both lines will tie in to the existing pipeline infrastructure. **Refer to Topographic Map "C."** For a ROW plan of development, please refer to the Monument Butte Field SOP.

Newfield Production Company requests 3070' of disturbed area be granted in Lease UTU-77339 to allow for construction of the proposed water lines. It is proposed that the disturbed area will temporarily be 50' wide to allow for construction of a buried 3" steel water injection line and a buried 3" poly water return line and 30' wide upon completion of the proposed water lines. Refer to Topographic Map "C." For a ROW plan of development, please refer to the Monument Butte Field SOP. In the event that the proposed well is converted to a water injection well, a separate injection permit will be applied for through the proper agencies.

Water Disposal

Immediately upon first production, all produced water will be confined to a steel storage tank. If the production water meets quality guidelines, it is transported to the Ashley, Monument Butte, Jonah, and Beluga water injection facilities by company or contract trucks. Subsequently, the

produced water is injected into approved Class II wells to enhance Newfield's secondary recovery project.

Water not meeting quality criteria, is disposed at Newfield's Pariette #4 disposal well (Sec. 7, T9S R19E) or at State of Utah approved surface disposal facilities.

Threatened, Endangered, And Other Sensitive Species

Mountain Plover: If new construction or surface disturbing activities are scheduled to occur between May 15 and June 15, detailed surveys of the area within 0.5 mile of the proposed location and within 300 feet of proposed access routes must be conducted to detect the presence of mountain plovers. All surveys must be conducted in accordance with the survey protocols outlined in the most recent USFWS Survey Protocol. Surveys must be completed prior to initiating new construction or surface disturbing activities. No new construction or surface disturbing activities will be allowed between May 15 and June 15 within a 0.5 mile radius of any documented mountain plover nest site.

Burrowing Owl: Due to the proximity of the location to active prairie dog towns, there is the potential to encounter nesting burrowing owls between April 1 and August 15. If new construction or surface disturbing activities are scheduled between April 1 and August 15, pre-construction surveys will be conducted to detect the presence of nesting burrowing owls within 0.5 mile of any new construction or surface disturbing activity (see Vernal BLM Field Office Protocol). No new construction or surface disturbing activities will be allowed between April 1 and August 15 within a 0.5 mile radius of any active burrowing owl nest.

Reserve Pit Liner

A 16 mil liner with felt is required. Please refer to the Monument Butte Field SOP.

Location and Reserve Pit Reclamation

Please refer to the Monument Butte Field SOP.

The following seed mixture will be used on the topsoil stockpile, to the recontoured surface of the reserve pit, and for final reclamation: (All poundages are in pure live seed)

| Squirrell Tail | Elymus Elymoides | 6 lbs/acre |
|---------------------|------------------------|---------------|
| Siberian Wheatgrass | Agropyron Fragile | 2 lbs/acre |
| Gardner Saltbush | Atriplex Gardneri | 1 lbs/acre |
| Shadscale | Atriplex Confertifolia | 1 lbs/acre |
| Fourwing Saltbush | Atriplex Canescens | 1 lbs/acre |
| Scarlet Globemallow | Sphaeralcea Conccinea | 0.20 lbs/acre |
| Forage Kochia | Kochia Prostrata | 0.20 lbs/acre |

Details of the On-Site Inspection

The proposed Federal #13-20-8-16 was on-sited on 4/16/08. The following were present; Dave Allred (Newfield Production), Kevan Stevens (Newfield Production), Michael Cutler (Bureau of Land Management), Brandon McDonald (Bureau of Land Management) and James Herford (Bureau of Land Management). Weather conditions were clear and ground cover was 100% open.

LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

<u>Representative</u>

Name:

Dave Allred

Address:

Route #3 Box 3630

Myton, UT 84052

Telephone:

(435) 646-3721

Certification

Please be advised that NEWFIELD PRODUCTION COMPANY is considered to be the operator of well #13-20-8-16 SW/SW Section 20, Township 8S, Range 16E: Lease UTU-77339 Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by, Federal Bond #WYB000493.

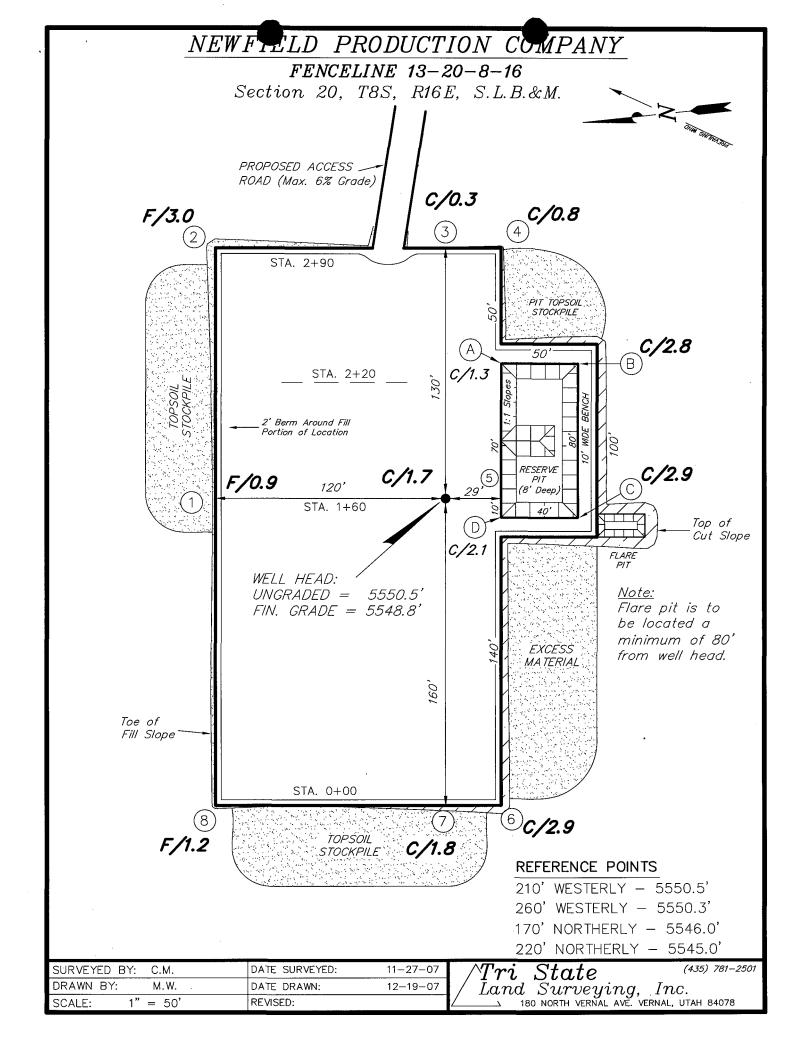
I hereby certify that the proposed drill site and access route have been inspected, and I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Newfield Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

5/28/08 Date

Mandie Crozier

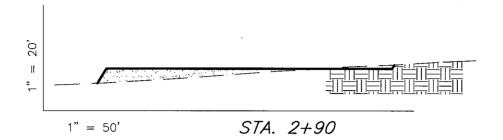
Regulatory Specialist

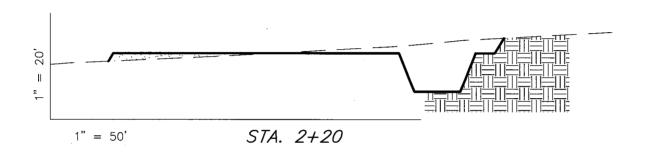
Newfield Production Company

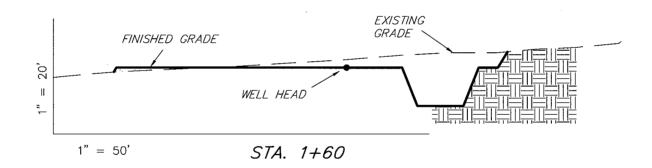


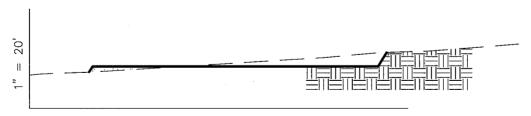
NEWFIELD PRODUCTION COMPANY

CROSS SECTIONS FENCELINE 13-20-8-16









1" = 50'

STA. 0+00

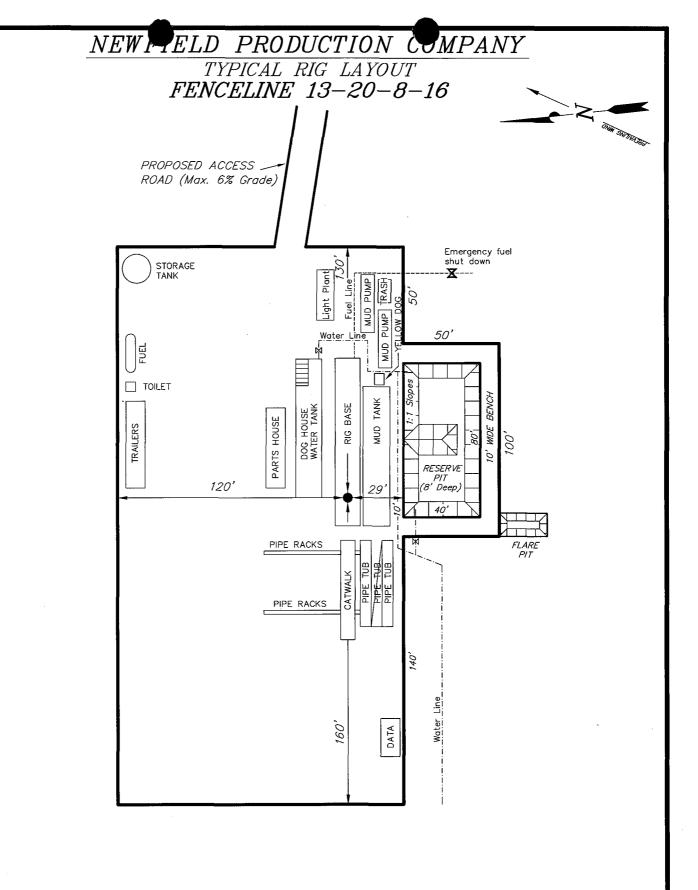
ESTIMATED EARTHWORK QUANTITIES
(No Shrink or swell adjustments have been used)
(Expressed in Cubic Yards)

| | (| | | |
|--------|-------|-------|-------------------------|--------|
| ITEM | CUT | FILL | 6" TOPSOIL | EXCESS |
| PAD | 1,060 | 1,060 | Topsoil is not included | 0 |
| PIT | 640 | 0 | in Pad Cut | 640 |
| TOTALS | 1,700 | 1,060 | 960 | 640 |

NOTE: UNLESS OTHERWISE NOTED ALL CUT/FILL SLOPES ARE AT 1.5:1

| SURVEYED BY: | C.M. | DATE SURVEYED: | 11-27-07 |
|--------------|-------|----------------|----------|
| DRAWN BY: | M.W. | DATE DRAWN: | 12-19-07 |
| SCALE: 1" | = 50' | REVISED: | |

 $egin{array}{lll} egin{array}{lll} Tri & State & {}^{ ag{4.35}} {}^{ ag{781-2501}} \ Land & Surveying, & Inc. \end{array}$ 180 North vernal ave. Vernal, Utah 84078



| SURVEYED BY: C.M | . DATE SURVEYE |): 11 – 27–07 |
|------------------|----------------|----------------------|
| DRAWN BY: M.V | V. DATE DRAWN: | 12-19-07 |
| SCALE: $1" = 5$ | O' REVISED: | |

 $egin{array}{lll} egin{array}{lll} egin{array}{lll} Tri & State & {}^{ ag{4.35})} & {}^{ ag{781-2501}} \ & Land & Surveying, & Inc. \end{array}$ 180 north vernal ave. Vernal, Utah 84078

Noviield Production Company Proposed Site Facility Diagram

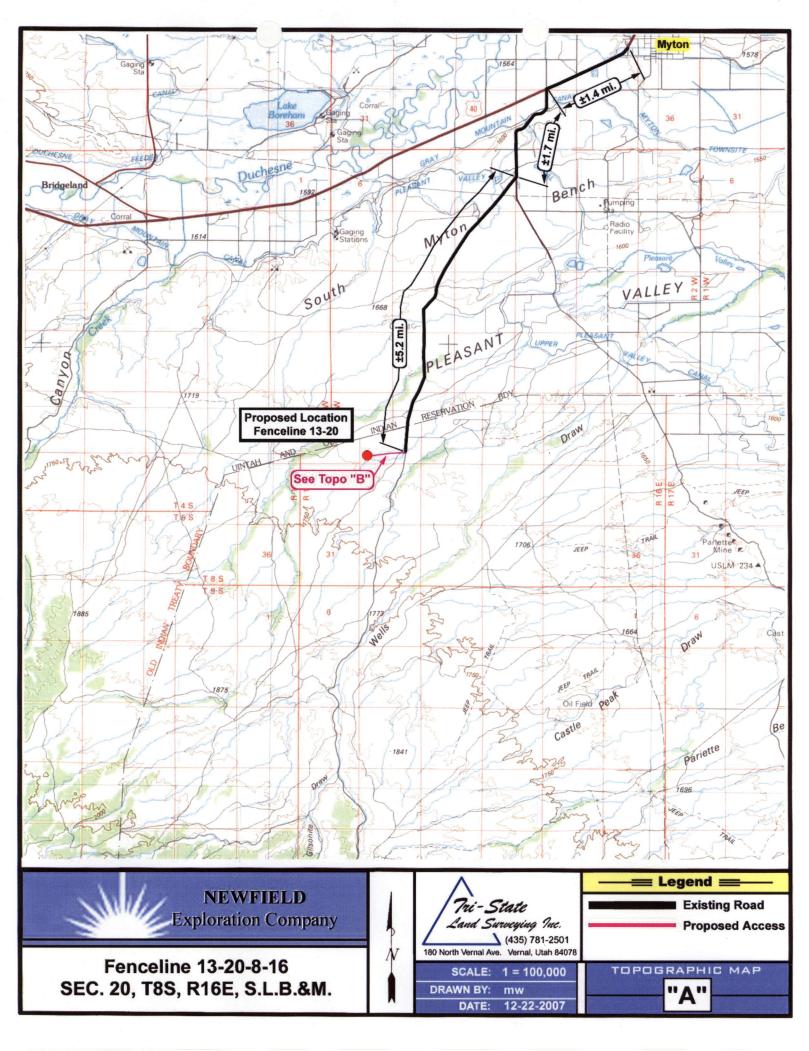
Federal 13-20-8-16

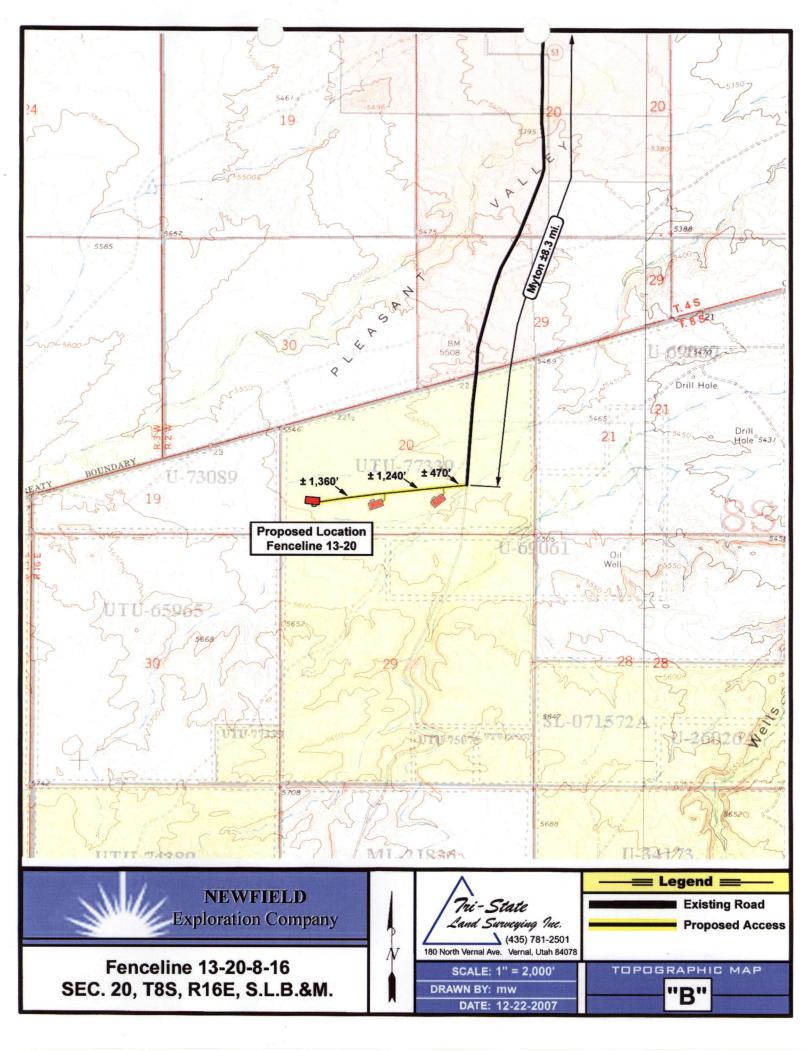
SW/SW Sec. 20, T8S, R16E

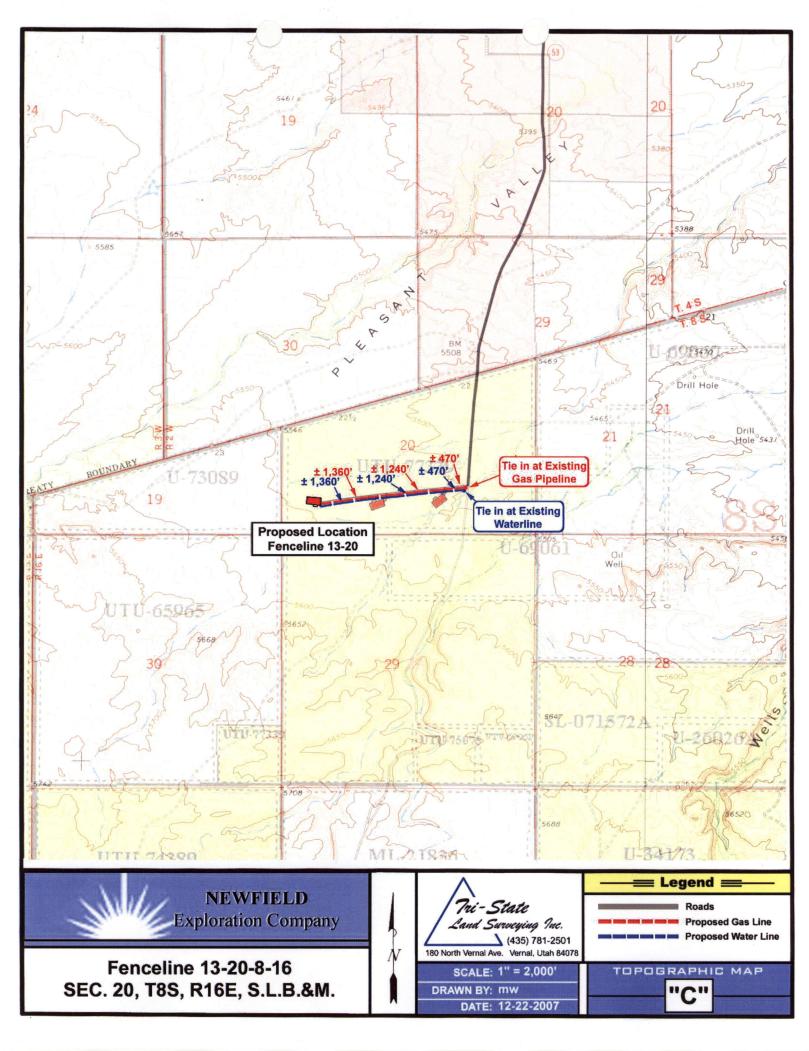
Duchesne County, Utah

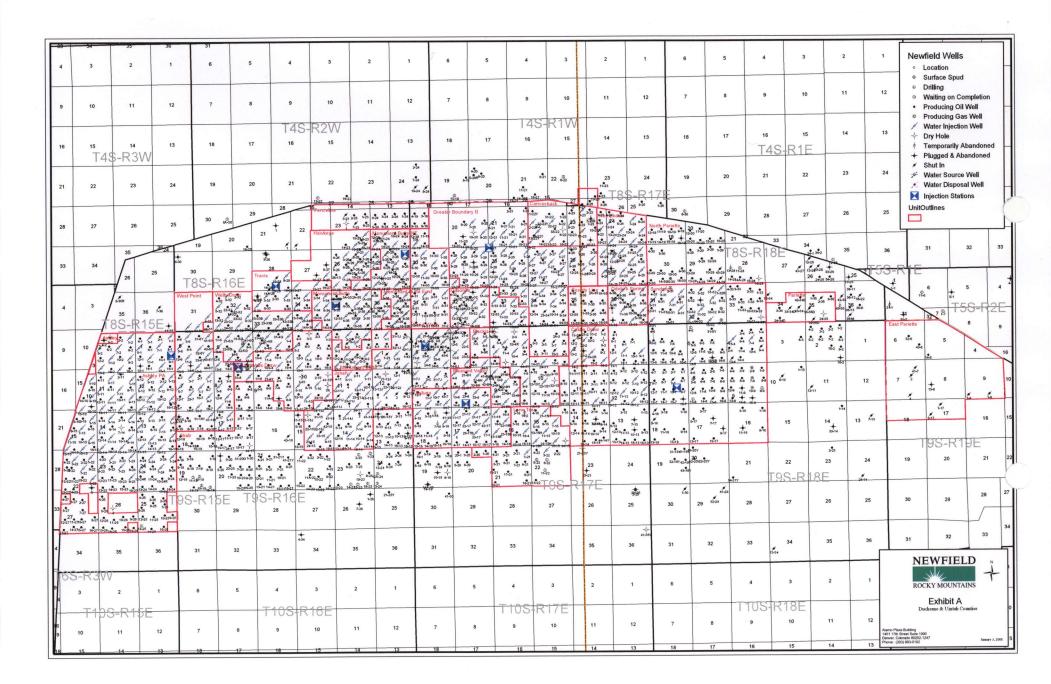
UTU-77339

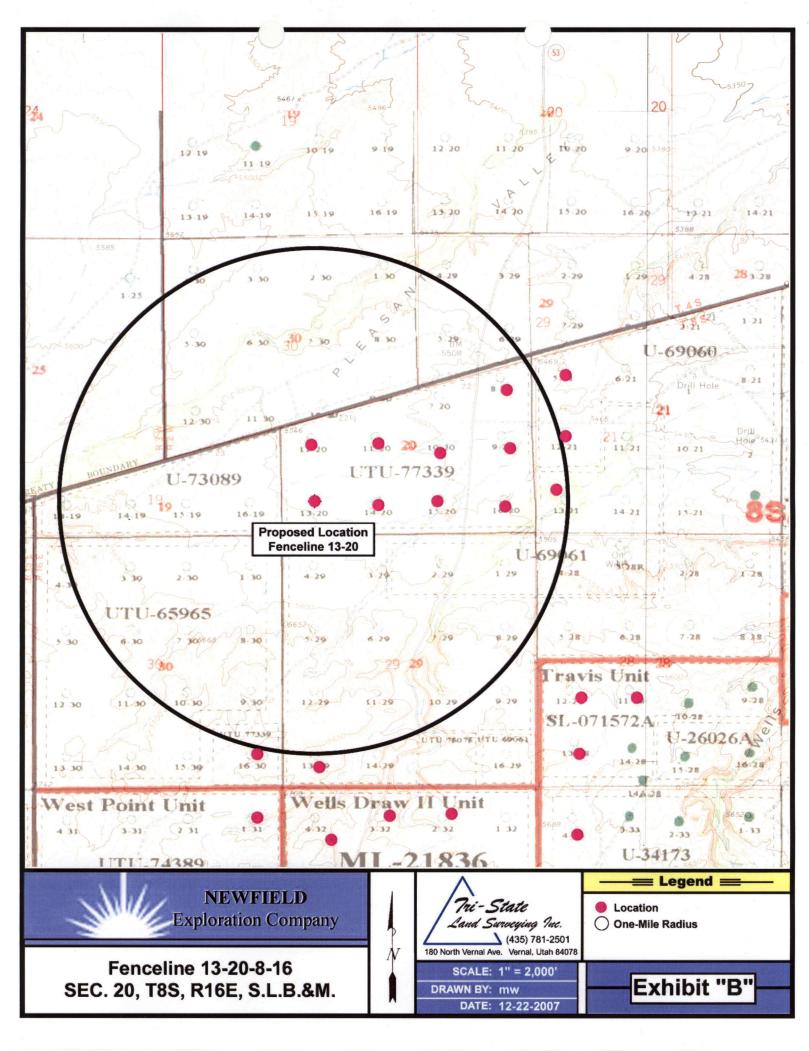
| Well Head 55 Gallons Methonol | |
|--|--|
| Pumping Unit 150 Gallons Chemical Drums 55 Gallons Motor Oil Heater Treater | Legend Emulsion Line Load Rack Water Line Gas Sales Oil Line |
| Water Tank 200 bbl | Production Phase: |
| | 1) Valves 1, 3, and 4 sealed closed 2) Valves 2, 5, and 6 sealed open |
| Production Tank 3 - Load Rack 400 bbl 1 - Load Rack | Sales Phase: 1) Valves 1, 2, 4, 5, and 6 sealed closed 2) Valve 3 open |
| Production Tank | Draining Phase: 1) Valves 1 and 6 open |
| 400 bbl (1)j | Diked Section |
| | \downarrow |











2-M SYSTEMBlowout Prevention Equipment Systems

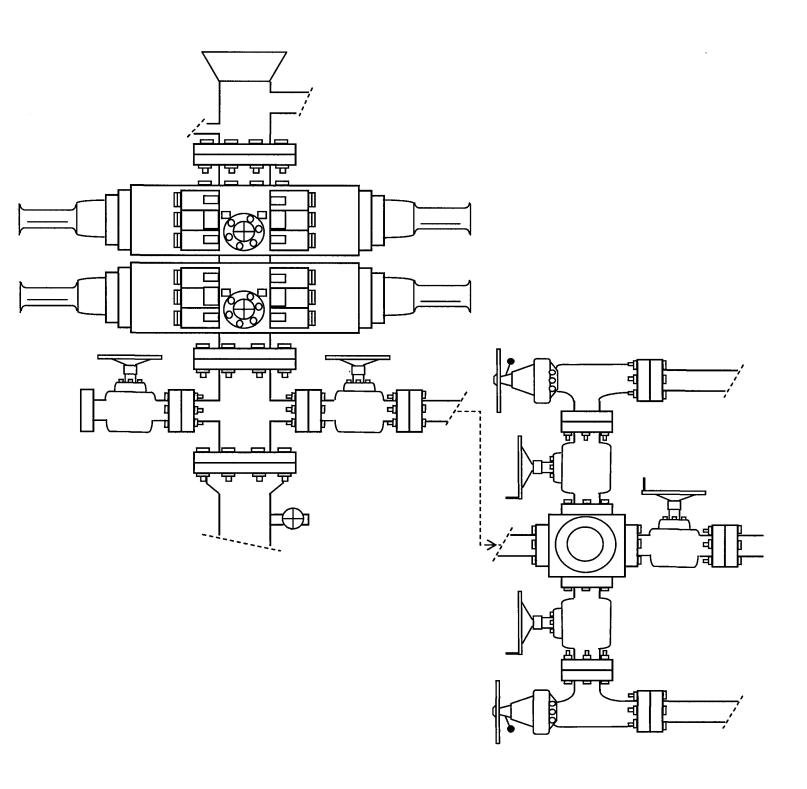


EXHIBIT C

Exhibit'D"

CULTURAL RESOURCE INVENTORY OF NEWFIELD EXPLORATION'S NINE 40 ACRE PARCELS: 7-20, 8-20, 9-20, 10-20, 11-20, 12-20, 13-20, 14-20, AND 15-20 (T 8S, R 16E, SECTION 20) DUCHESNE COUNTY, UTAH

10F2

By:

Patricia Stavish

Prepared For:

Bureau of Land Management Vernal Field Office

Prepared Under Contract With:

Newfield Exploration Company Rt. 3 Box 3630 Myton, UT 84052

Prepared By:

Montgomery Archaeological Consultants, Inc. P.O. Box 219 Moab, Utah 84532

MOAC Report No. 08-102

May 9, 2008

United States Department of Interior (FLMPA)
Utah Permit No. 08-UT-60122

State of Utah Antiquities Project (Survey) Permit No. U-08-MQ-0337b

NEWFIELD EXPLORATION COMPANY

PALEONTOLOGICAL SURVEY OF PROPOSED PRODUCTION DEVELOPMENT AREAS, DUCHESNE & UINTAH COUNTIES, UTAH

Section 21, T 8 S, R 16 E [Entire section excluding NE/NW (3-21) & NW/NW(4-21)]; Section 20, T 8 S, R 16 E [SW/NE (7-20), SE/NE (8-20), NE/SE (9-20), NW/SE (10-20), NE/SW (11-20), NW/SW (12-20), SW/SW (13-20), SE/SW (14-20), & SW/SE (15-20); SE/SE, Section 32, T 8 S, R 18 E (16-32-8-18), NE/NE, Section 36, T 8 S, R 17 E (1-36-8-17), NE/NW & SW/NW, Section 18, T 9 S, R 19 E (3 & 5-18-9-19), and Proposed Water Injection Line at SE/SW, Section 1, T 9 S, R 15 E (14-1-9-15).

REPORT OF SURVEY

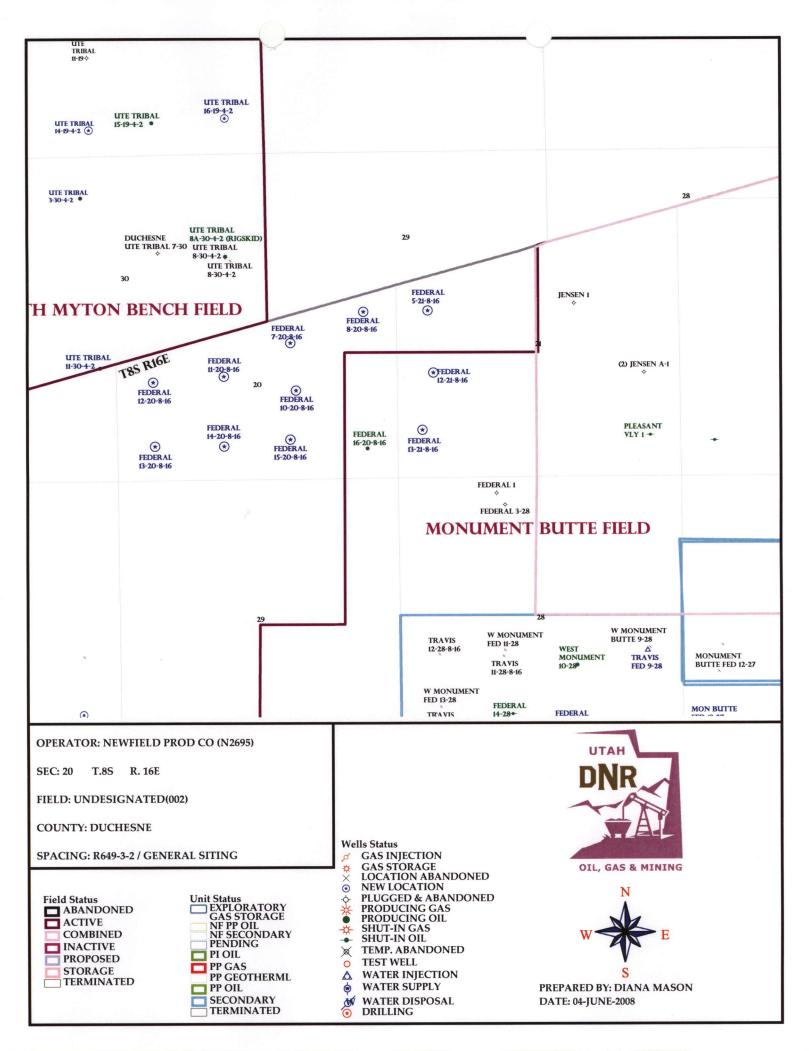
Prepared for:

Newfield Exploration Company

Prepared by:

Wade E. Miller Consulting Paleontologist April 30 & May 1, 2008

| APD RECEIVED: 06/04/2008 | API NO. ASSIG | NED: 43-01 | 3-33992 |
|---|---------------------------|-------------|---------------|
| WELL NAME: FEDERAL 13-20-8-16 | | | |
| OPERATOR: NEWFIELD PRODUCTION (N2695) | PHONE NUMBER: | 435-646-372 | 1 |
| CONTACT: MANDIE CROZIER | | | |
| PROPOSED LOCATION: | INSPECT LOCATN | BY: / | / |
| SWSW 20 080S 160E | Tech Review | Initials | Date |
| SURFACE: 0660 FSL 0690 FWL BOTTOM: 0660 FSL 0690 FWL | Engineering | | |
| COUNTY: DUCHESNE | Geology | | |
| LATITUDE: 40.09800 LONGITUDE: -110.1495 UTM SURF EASTINGS: 572496 NORTHINGS: 4438771 | Surface | | |
| FIELD NAME: UNDESIGNATED (2) | | | |
| LEASE TYPE: 1 - Federal LEASE NUMBER: UTU-77339 SURFACE OWNER: 1 - Federal | PROPOSED FORMAT | | V |
| RECEIVED AND/OR REVIEWED: | ATION AND SITING: | | |
| Plat | _ R649-2-3. | | |
| Bond: Fed[1] Ind[] Sta[] Fee[] | t: | | |
| (No. <u>WYB000493</u>) | | | |
| | R649-3-2. Gener | | |
| Oil Shale 190-5 (B) or 190-3 or 190-13 | Siting: 460 From Qt | | setween wells |
| Water Permit (No. 43-10136) | _ R649-3-3. Excep | tion | |
| RDCC Review (Y/N) | _ Drilling Unit | | |
| (Date:) | Board Cause No: Eff Date: | | |
| Fee Surf Agreement (Y/N) | Siting: | | |
| Intent to Commingle (Y/N) | | ctional Dri | 11 |
| COMMENTS: Sort Se sente to Si | | | |
| COMMENTS: | | | |
| | | | |
| _ | | | |
| STIDINATIONS: | 701 | | |
| STIPULATIONS: 1 de de 1940 | - N | | |
| | r. r. | | |
| | | | |







MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 9, 2008

Newfield Production Company Rt. #3, Box 3630 Myton, UT 84052

Re:

Federal 13-20-8-16 Well, 660' FSL, 690' FWL, SW SW, Sec. 20, T. 8 South, R. 16 East,

Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-33992.

Sincerely,

Gil Hunt

Associate Director

Tip Zhut

pab Enclosures

cc:

Duchesne County Assessor

Bureau of Land Management, Vernal Office



| Operator: Newfield Production Company | | | | |
|---------------------------------------|------------------|------------|---|--|
| Well Name & Number | Federal 13-20-8- | 16 | 788-44-7-76-64-74-74-74-74-74-74-74-74-74-74-74-74-74 | |
| API Number: | 43-013-33992 | | | |
| Lease: | UTU-77339 | | | |
| Location: SW SW | Sec. 20 | T. 8 South | R. 16 East | |

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

• Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

• Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.
- 5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

RECEIVED VERNAL FIELD OFFICE

| | V ELCKEN | T I ITTO | | | | | | |
|--|--|-----------------------------|--------------------------------------|-----------------------|--|-------------------|----------|------|
| Form 3160-3 (September 2001) 2003 JUN 4 PM 1 06 UNITED STATES | | | | | FORM APPROVED OMB No. 1004-0136 Expires January 31, 2004 | | | |
| DEPARTMENT OF THE INTERIOR | | | | | 5. Lease Serial No. | | | |
| | BUREAU OF LAND MANA | EMENTAND | MGMT | | UTU-77339 | | | |
| ΔΡΕ | BUREAU PLICATION FOR PERMIT TO DE | | | | 6. If Indian, Allottee or | Tribe Name | 2 | |
| | Eloanon ron renant 10 bi | WEE ON MEE | | | N/A | | | |
| la. Type of Work: | DRILL REENTER | | | | 7. If Unit or CA Agreeme | ent, Name a | ind No. | |
| ra. Type of Work, | DRILL REENTER | į. | | | N/A | | | |
| — | | (CT) | <u></u> | | 8. Lease Name and Well No. | | | |
| | Oil Well Gas Well Other | Singl | le Zone 🚨 Multi | ple Zone | Federal 13-20-8 | -16 | | |
| 2. Name of Operator | | | | | 9. API Well No. | | | |
| Newfield Production | on Company | · · · | | | 43 013 3 | 3992 | <u></u> | |
| 3a. Address | 14 · | | include area code) | | 10. Field and Pool, or Expl | loratory | | |
| Route #3 Box 3630 | | <u> </u> | 546-3721 | | Monument Butte | | | |
| 4. Location of Well (Re | port location clearly and in accordance with | any State require | nents.*) | | 11. Sec., T., R., M., or Blk | . and Surve | y or Are | а |
| At surface SW/SW | 660' FSL 690' FWL | | | | CM/CM/ Con 30 T | FOC D46E | | |
| At proposed prod. zo | ne | | | | SW/SW Sec. 20, T | 05 K 10E | | |
| 14. Distance in miles and o | direction from nearest town or post office* | | | | 12. County or Parish | 13. | State | |
| | miles southwest of Myton, Utah | | | | Duchesne | רט | Γ | |
| 15. Distance from propose | | 16. No. of Acre | es in lease | 17. Spacin | ing Unit dedicated to this well | | | , |
| location to nearest property or lease line. | ft. | | | | | | | |
| (Also to nearest drig. t | | 557.08 | 3 | | 40 Acres | | | |
| 18. Distance from propose | | 19. Proposed D |)epth | 20. BLM/I | BIA Bond No. on file | | | |
| to nearest well, drilling applied for, on this least | | 6490 | N. | İ , | WYB000493 | | | |
| | | 6480 | | <u></u> | | | | |
| · | ether DF, KDB, RT, GL, etc.) | 1 | ate date work will sta | art* | 23. Estimated duration Approximately seven (7) days from spud to rig release. | | | |
| 5551' GL | | 4th Quarte | | | Approximately seven (7) days from | spud to rig relea | .se. | |
| | | 24. Attach | ments | | | | | |
| The following, completed in | n accordance with the requirements of Onshor | re Oil and Gas Or | der No.1, shall be at | tached to this | s form: | | | |
| | registered surveyor. f the location is on National Forest System th the appropriate Forest Service Office). | Landa tha | Item 20 above). 5. Operator certific | cation. specific info | ormation and/or plans as m | _ | | |
| 25. Signature | . 1 | Name (P | rinted/Typed) | | , Da | te | | |
| 7// | i Carrin | | e Crozier | | • | 5/28/08 | | |
| Title | (000) | <u>.</u> | | | <u></u> | | | |
| | atory Specialist | | | | | | | |
| Approved by (Signature) | / / | Name (F | Printed/Typed) | | Da | PCD | 4 7 | 2000 |
| Ju Ke | me formando | | LY KENCZKA | | i | SEP | 1/ | 2008 |
| | tant Field Manager | Office | 3 41 | PP PARKS | | | ······· | |
| Lands | & Mineral Resources | | ٧١ | EKNAL | FIELD OFFICE | | | |
| Application approval does no operations thereon. Conditions of approval, if an | not warrant or certify the the applicant holds long, are attached. | egal or equitable t | itle to those rights in | n the subject | lease which would entitle the | applicant | to condu | ict |
| Title 18 U.S.C. Section 100 | of and Title 43 U.S.C. Section 1212, make it r fraudulent statements or representations as to | | | nd willfully t | to make to any department o | r agency o | f the Un | ited |
| *(Instructions on reverse) | mozuwai CONO | TON | SOFAI |)PA(| RECEN | | | |
| MOMOROFA | delination of the same | in an east quality of 19 ft | gas som en de servicion | | KECEI | VED | | |

DIV. OF OIL, GAS & MINING

SEP 2 3 2008

NOS 3/17/08 08PP 0597A



UNITED STATES DEPARTMENT OF THE INTERIOR **BUREAU OF LAND MANAGEMENT VERNAL FIELD OFFICE** 170 South 500 East

(435) 781-4400 **VERNAL, UT 84078**



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

SWSW, Sec 20, T8S, R16E **Newfield Production Company** Location: Company:

Lease No: UTU-77339 Well No: Federal 13-20-8-16

API No: 43-013-33992 **Agreement:** N/A

| Title | Name | Office Phone Number | Cell Phone Number |
|-----------------------------------|-----------------|---------------------|-------------------|
| Petroleum Engineer: | Matt Baker | (435) 781-4490 | (435) 828-4470 |
| Petroleum Engineer: | Michael Lee | (435) 781-4432 | (435) 828-7875 |
| Petroleum Engineer: | James Ashley | (435) 781-4470 | (435) 828-7874 |
| Petroleum Engineer: | Ryan Angus | (435) 781-4430 | (435) 828-7368 |
| Supervisory Petroleum Technician: | Jamie Sparger | (435) 781-4502 | (435) 828-3913 |
| Supervisory NRS: | Karl Wright | (435) 781-4484 | |
| NRS/Enviro Scientist: | Holly Villa | (435) 781-4404 | (435) 828-3544 |
| NRS/Enviro Scientist: | James Hereford | (435) 781-3412 | (435) 828-3546 |
| NRS/Enviro Scientist: | Chuck Macdonald | (435) 781-4441 | (435) 828-7481 |
| NRS/Enviro Scientist: | Dan Emmett | (435) 781-3414 | (435) 828-4029 |
| NRS/Enviro Scientist: | Paul Percival | (435) 781-4493 | (435) 828-7381 |
| NRS/Enviro Scientist: | Anna Figueroa | (435) 781-3407 | (435) 828-3548 |
| NRS/Enviro Scientist: | Verlyn Pindell | (435) 781-3402 | (435) 828-3547 |
| NRS/Enviro Scientist: | Nathan Packer | (435) 781-3405 | (435) 828-3545 |

Fax: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.

NOTIFICATION REQUIREMENTS

| Location Construction (Notify NRS/Enviro Scientist) | - | Forty-Eight (48) hours prior to construction of location and access roads. |
|---|---|---|
| Location Completion (Notify NRS/Enviro Scientist) | - | Prior to moving on the drilling rig. |
| Spud Notice (Notify Petroleum Engineer) | - | Twenty-Four (24) hours prior to spudding the well. |
| Casing String & Cementing (Notify Supervisory Petroleum Technician) | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings |
| BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician) | - | Twenty-Four (24) hours prior to initiating pressure tests |
| First Production Notice (Notify Petroleum Engineer) | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days |

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SURFACE USE PROGRAM CONDITIONS OF APPROVAL (COAs)

General Surface COAs

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop
 work and contact the Authorized Officer (AO). A determination will be made by the AO as to what
 mitigation may be necessary for the discovered paleontologic material before construction can
 continue.

Specific Surface COAs

STIPULATIONS:

- An active colony of prairie dogs and their burrows (burrowing owl habitat) were observed on and around the proposed site. With this occurrence there will be a timing restriction during project activity (construction and drilling) to minimize disturbance during Burrowing Owl nesting from April 1

 – July 15.
- The proposed area contains Mountain plover habitat. With this occurrence there will be a timing restriction during project activity (construction and drilling) to minimize disturbance during Mountain plover nesting from May 1 June 15.

Lease Notices from RMP:

 The lessee/operator is given notice the area has been identified as containing Golden eagle habitat. Modifications may be required in the Surface Use Plan to protect the Golden eagle and/or its habitat from surface disturbance activities in accordance with Section 6 of the lease terms, Endangered Species Act, and 43 CFR 3101.1-2.

Comments:

If it is anticipated that construction or drilling will occur during the given timing restrictions for any wildlife, a BLM or qualified biologist shall be notified so surveys can be conducted. Depending upon the results of the surveys, permission to proceed may or may not be recommended or granted (depending on the species being surveyed and the condition of the habitat).

Follow-up Actions and/or Recommendations:

Please be aware that this Special Status Species wildlife clearance is effective for 1 year from the date of the onsite date. Any proposals submitted after the date of this report (onsite) shall require additional surveys and clearances.

CONDITIONS OF APPROVAL:

- All traffic related to this action will be restricted to approved routes. Cross-country vehicle travel will
 not be allowed.
- All pipelines (surface and buried) will be laid within one 50' wide construction ROW, on one side of the road, and will reduce down to a 30' wide permanent ROW on lease.

Page 3 of 9 Well: Federal 13-20-8-16 9/16/2008

- A temporary road ROW will not be granted. The road ROW will be 30 foot for construction and will reduce to an 18 foot running surface.
- The access road will be crowned and ditched. Flat-bladed roads are not allowed. All roads will have an 18', crowned (2 to 3% minimum), running surface. All roads will have drainage ditches along both sides of road.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods
 when the soil is too wet to adequately support vehicles and/or construction equipment. If such
 equipment creates ruts in excess of three inches deep, the soil shall be deemed too wet to
 adequately support construction equipment.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. will be needed to control the erosion.
- Low-water crossings will be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines will be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.
- To insure impermeability, the reserve pit will be lined with a 16 ml or greater liner and felt prior to spudding.
- The liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- When the reserve pit contains fluids or toxic substances, the operator must ensure animals do not ingest or become entrapped in pit fluids.
- Any hydrocarbons in the reserve pit will be removed immediately upon well completion; in accordance with 43 CFR 3162.7-1. Pits must be free of oil and other liquid and solid wastes prior to filling.
- Monument Butte SOP, Section 9.2 Pit Fencing Minimum Standards will be strictly adhered to.
 To include 9.2.2.3 Corner posts will be cemented and/or braced in such a manner as to keep fence tight at all times.
- If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim/Final Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

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Interim Reclamation:

• The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded using a rangeland drill. Seeding depth as per AO, or seed distributor. If portions of the site are too steep (>40%), or rocky, that portion may be broadcast seeded. If broadcasting seed, the seed shall be walked into the soil with a dozer immediately after the seeding is completed, or covered by soil using a drag chain. Seeding shall occur in the fall (August 1st until snow or ground is frozen) with the following seed mix:

Seed mix:

| Common name | Latin name | lbs/acre | Recommended seed planting depth |
|---------------------|------------------------|----------|---------------------------------|
| Squirreltail grass | Elymus elymoides | 5.0 | 1/4 - 1/2" |
| Siberian wheatgrass | Agropyron fragile | 3.0 | 1/2" |
| Shadscale saltbush | Atriplex confertifolia | 0.50 | 1/2" |
| Four-wing saltbush | Atriplex canescens | 0.50 | 1/2" |
| Gardner's saltbush | Atriplex gardneri | 0.50 | 1/2" |
| Scarlet globemallow | Sphaeralcea coccinea | 0.20 | 1/8 - 1/4" |

- All pounds are pure live seed.
- All seed and mulch will be certified weed free.
- o Rates are set for drill seeding; double rate if broadcasting.
- o Reseeding may be required if initial seeding is not successful.

Final reclamation:

- Once the location is plugged and abandoned, the well location, access, and any disturbed areas shall be recontoured to natural topography, topsoil shall be respread, and the entire location shall be seeded following guidelines in the seed mix bullet statement above. Final seed mix: same as interim.
- Noxious and/or invasive weeds will be controlled along access roads, pipelines, well sites, and all
 other applicable facilities. Any noxious and/or invasive weeds outbreak, directly attributed to the
 activities of the Operator, will be the responsibility of the Operator to control. On BLM
 administered land, a Pesticide Use Proposal (PUP) must be submitted and approved prior to the
 application of herbicides, pesticides, or other possibly hazardous chemicals.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural topology, topsoil
 shall be respread, and the entire location shall be seeded with a seed mix recommended by the
 AO (see above). Seed application will follow all guidelines in the interim seed mix bullet statement
 above. If reclamation seeding shall take place using the broadcast method, the seed at a
 minimum will be walked into the soil with a dozer immediately after the seeding is completed.
- The authorized officer may prohibit surface disturbing activities during severe winter conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.

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- The authorized officer may prohibit surface disturbing activities during wet or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- All well facilities not regulated by OSHA will be painted Carlsbad Canyon.
- All boulders with a length or diameter greater than 3 feet, that are found showing at the surface, will be stockpiled for use during final reclamation.
- Notify the Authorized Officer 48 hours prior to surface disturbing activities.

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DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

Logging: Run Gamma Ray from TD to surface

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the
 daily drilling report. Components shall be operated and tested as required by Onshore Oil &
 Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be
 performed by a test pump with a chart recorder and <u>NOT</u> by the rig pumps. Test shall be
 reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- Cement baskets shall not be run on surface casing.
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water
 is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM
 Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

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- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM,
 Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum
 Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

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OPERATING REQUIREMENT REMINDERS:

• All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be
 notified when it is placed in a producing status. Such notification will be by written
 communication and must be received in this office by not later than the fifth business day
 following the date on which the well is placed on production. The notification shall provide, as a
 minimum, the following informational items:
 - o Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - o The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - o Unit agreement and/or participating area name and number, if applicable.
 - o Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will
 be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be
 reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major
 Events" will be reported in writing within 15 days. "Minor Events" will be reported on the
 Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be

Page 9 of 9 Well: Federal 13-20-8-16 9/16/2008

filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field
 Office Petroleum Engineers will be provided with a date and time for the initial meter calibration
 and all future meter proving schedules. A copy of the meter calibration reports shall be
 submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API
 standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All
 measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted
 to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs
 first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be
 adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively
 sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering
 lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of
 a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval
 may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover
 equipment shall be removed from a well to be placed in a suspended status without prior
 approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30
 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given
 before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

FORM 3160-5 t 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

5. Lease Serial No.

FORM APPROVED OMB No. 1004-0137 Expires: July 31,2010

SUNDRY NOTICES AND REPORTS ON WELLS

| abandoned w | | 6. If Indian, Allottee or Tribe Name. | | | |
|--|---|---|---|---|--|
| SUBMIT IN | 7. If Unit or C | 7. If Unit or CA/Agreement, Name and/or | | | |
| 2. Name of Operator | Other | | 8. Well Name FEDERAL 1 | | |
| NEWFIELD PRODUCTION CO 3a. Address Route 3 Box 3630 Myton, UT 84052 | 9. API Well N 4301333992 10. Field and | • • • | | | |
| 4. Location of Well (Footage, 2660' FSL 690' FWL SWSW Section 20 T8S R16E | Sec., T., R., M., or Survey Des | cription) | MONUMEN 11. County or DUCHESN | Parish, State | |
| 12. CHECK | APPROPRIATE BOX | (ES) TO INIDICATE N. | ATURE OF NOTICE, OR | OTHER DATA | |
| TYPE OF SUBMISSION | | TYF | PE OF ACTION | | |
| ✓ Notice of Intent ☐ Subsequent Report ☐ Final Abandonment | Acidize Alter Casing Casing Repair Change Plans Convert to Injector | Deepen Fracture Treat New Construction Plug & Abandon Plug Back | Production (Start/Resum Reclamation Recomplete Temporarily Abandon Water Disposal | Water Shut-Off Well Integrity Other Spud Notice | |

proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final

On 11/25/08 MIRU Ross #24. Spud well @ 8:00am.Drill 50'of 121/4" hole with air mist.On 11/27/08 Ross # 24 moved on and Drill 275' of 12 1/4" hole with air mist.TIH w/7 jt's 85/8" j-55 24# csgn. set @ 325.30.On 12/1/08 cement with 160 sks of class "G" w/ 3% CaCL2 + 1/4# sk Cello-Flake mixed @15.8 ppg>1.17 cf/sk yeild. Returned 5 bbls cement to pit. Woc.

> RECEIVED DEC 0 4 2008

DIV. OF OIL, GAS & MINING

| I hereby certify that the foregoing is true and correct (Printed/Typed) | Title | |
|--|----------------------------|-------|
| Jav Burton | Drilling Foreman | |
| Signatury of C. Burton | Date 12/02/2008 | |
| THIS SPACE | FOR FEDERAL OR STATE OFFIC | E USE |
| Approved by | Title | Date |
| Conditions of approval, if any, are attached. Approval of this notice does certify that the applicant holds legal or equitable title to those rights in the which would entitle the applicant to conduct operations thereon. | | |

NEWFIELD PRODUCTION COMPANY - CASING & CEMENT REPORT

| | | | 8 5/8" | _CASING SET A | ΛT | 325.3 | _ | , | |
|--|---------------------------------------|-------------|--|--|---|---|-------------------------|---------------------------------------|--|
| LAST CASING | 8 5/8' | SET AT | 325.3 | 1. <u>.</u> | | | Newfield L 13-20-8-1 | Exploration | Company |
| DATUM TO CUT OFF CASING | | | ······································ | | | | Monn. Bu | | |
| DATUM TO BRA | | | | | | | 3# | | |
| TD DRILLER | | | GER | • | CONTRAC | | J# | NUSS # 24 | |
| HOLE SIZE | 12 1/4" | | JEIN | | | | | ` | |
| | | · | | _ | | | | | |
| LOG OF CASING | STRING: | | | | | · · · · · · · · · · · · · · · · · · · | | | |
| PIECES | <u> </u> | ITEM - M | AKE - DES | CRIPTION | WT/FT | GRD | THREAD | CONDT | LENGTH |
| 2 | | Float & sh | | | | O.N.D | LTC | A | 1.85 |
| 7 | 8 5/8" | 8 5/8 casir | | | 24# | J-55 | LTC | <u>A</u> | 313.45 |
| | | 1 | <u> </u> | | 1 | | | | 010.40 |
| | | | · · · · · · · · · · · · · · · · · · · | | | | | | |
| | | | · · · · · · · · · · · · · · · · · · · | The same of the sa | | | | | |
| | | | · · · · · · · · · · · · · · · · · · · | | | - · · · · · · · · · · · · · · · · · · · | 1 | | |
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| | | | in the second of the second | | | | | | |
| | | | | | | | | | and the state of t |
| CASING INVENT | ORY BAL. | | FEET | JTS | TOTAL LE | NGTH OF S | STRING | | 315.3 |
| TOTAL LENGTH | | G | 315.3 | 9 | TOTAL LENGTH OF STRING LESS CUT OFF PIECE | | | 2 | |
| LESS NON CSG. | | | 1.85 | 2 | | | - :UT OFF CS | - I | 12 |
| PLUS FULL JTS. | | | 0 | | CASING SI | | | Ĭ | 325.30 |
| The state of the s | TOTAL | <u> </u> | 313.45 | 7 | 1_ | | | L | |
| TOTAL CSG. DEL. (W/O THRDS) | | | 313.45 | 7 | $\left\{\right\}$ COMPA | RE | | | |
| | IMING | | | | 1, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | | | | |
| BEGIN RUN CSC | | Spud | 10:00 AM | 11/28/2008 | GOOD CIR | C THRU J | OB ' | Yes | |
| CSG. IN HOLE | · · · · · · · · · · · · · · · · · · · | | 3:00 PM | | 7 | | URFACE : | · · · · · · · · · · · · · · · · · · · | · · · · · · · · · · · · · · · · · · · |
| BEGIN CIRC | | | 8:18 AM | 12/1/2008 | RECIPROC | | | | |
| BEGIN PUMP CN | /IT | * *** | 8:28 AM | | 1 | / • •• | | | ŀ |

12/1/2008

12/1/2008

8:39 AM

8:46 AM

BUMPED PLUG TO 600

BEGIN DSPL. CMT

PLUG DOWN

| DPG |
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| DPG |
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| & SPACING |
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DATE 11/2/2008

_Jay Burton

| / | |
|-------------|--|
| FORM 3160-5 | |
| ugust 2007) | |

UNITED STATES

DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OMB No. 1004-0137 Expires: July 31,2010

| Lease Serial No. |
|------------------------------------|
| USA UTU-77339 |

FORM APPROVED

SUNDRY NOTICES AND REPORTS ON WELLS

| Do not use this form for proposals to drill or to re-enter an | | | | 0011010773 | 757 |
|--|---|--|--|---|--|
| abandoned w | abandoned well. Use Form 3160-3 (APD) for such proposals. | | | | ttee or Tribe Name. |
| SUBMIT IN | N TRIPLICATE - Other I | , | 7. If Unit or CA/Agreement, Name and/or | | |
| 1. Type of Well Gas Well | Other | | | | |
| 2. Name of Operator | Other Other | | | 8. Well Name and FEDERAL 13-2 | |
| NEWFIELD PRODUCTION CO | OMPANY | | | | 20-0-10 |
| 3a. Address Route 3 Box 3630 | | 3b. Phone (include ar | e code) | 9. API Well No. 4301333992 | |
| Myton, UT 84052 | | 435.646.3721 | | | ol, or Exploratory Area |
| 4. Location of Well (Footage, | Sec., T., R., M., or Survey Descrip | | | MONUMENT | |
| 660' FSL 690' FWL | | | | 11. County or Par | |
| SWSW Section 20 T8S R16E | | | | | |
| | | | | DUCHESNE, | |
| 12. CHECH | X APPROPRIATE BOX(E | S) TO INIDICATE NA | ATURE OF 1 | NOTICE, OR OT | THER DATA |
| TYPE OF SUBMISSION | | ТҮР | E OF ACTIO | N | |
| Division of the second | Acidize | ☐ Deepen | ☐ Product | tion (Start/Resume) | ☐ Water Shut-Off |
| Notice of Intent | Alter Casing | Fracture Treat | Reclam | | ☐ Well Integrity |
| Subsequent Report | Casing Repair | ☐ New Construction | Recomp | olete | Other |
| | Change Plans | Plug & Abandon | | arily Abandon | Weekly Status Report |
| Final Abandonment | Convert to Injector | Plug Back | | Disposal | |
| of the involved operations. If the operation of the involved operations. If the operation of the involved operation of the involved operation of the involved operation of the o | peration: (Cleany state an perment de recomplete horizontally, give subsur performed or provide the Bond No. on peration results in a multiple completio of filed only after all requirements, incharson Rig # 155. Set all equivernal BLM field, & Roosev a 7.875 hole with fresh waterface. PU & TIH with Guidenent mixed @ 11.0 ppg & 3 pit. Nipple down Bop's. Dr | face locations and measured and file with BLM/BIA. Required in or recompletion in a new interding reclamation, have been confirmed. Pressure test knelt DOGM office was near to a depth of 6467'. Lee shoe, shoe jt, float co43 yld. Then 430 sks of | true vertical dept subsequent report val, a Form 3160- mpleted, and the c Kelly, TIW, Ci otifed of test ay down dril llar, 162 jt's of cement mixe | ths of all pertinent marks shall be filed within 30,4 shall be filed once test operator has determined thoke manifold, & PU BHA and tatll string & BHA. Cof 5.5 J-55, 15.5#d @ 14.4 ppg & | ers and zones. Attach the 0 days following completion ting has been completed. that the site is ready for final Bop's to 2,000 psi. Test g cement @ 270'. Drill Open hole log w/f csgn. Set @ 6465' / KB. 1.24 yld. Returned 20 |
| | | | | | RECEIVED DEC 2 3 2008 |
| | | | | | |

DIV. OF OIL, GAS & MINING

| I hereby certify that the foregoing is true and correct (Printed/ Typed) | Title | | | | |
|---|--|---------------------------------------|--|--|--|
| Rvan Crum | Drilling Foreman | | | | |
| Signature from Laun | Date 12/18/2008 | | | | |
| THIS SPACE FOR FEL | ERAL OR STATE OFFICE | USE | | | |
| Approved by | Title | Date | | | |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. | Office | | | | |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any p | erson knowingly and willfully to make to a | ny department or agency of the United | | | |

(Instructions on page 2)

States any false, fictitious and fraudulent statements or representations as to any matter within its jurisdiction

NEWFIELD PRODUCTION COMPANY - CASING & CEMENT REPORT

5 1/2" CASING SET @ 6465.23

| LAST CASING: | 8-5/8" | SET@ | | _ | OPERATOR: | Newfield | Production | Company | | |
|------------------|---------------|------------------|---------------|-----------------|---------------------------|---------------|---------------------------------------|---------------------------------------|-----------|----------|
| DATUM (KB) | 12 | | | _ | WELL: | Federal 1 | | · · · · · · · · · · · · · · · · · · · | • | |
| DATUM TO CU | T OFF CAS | ING | 12 | | FIELD/PROS | PECT: | Monumen | t Butte | | |
| DATUM TO BRA | ADENHEAD | FLANGE | 12 | | CONTRACTO | R & RIG #: | Patterson | 155 | 1 | |
| DRILLER TD | 6467 | LOGGER TD | 6467 | _ | | | | | • | |
| HOLE SIZE | 7-7/8" | TOP FLOA | T COLLAR @ | 6443.87 | _ | | | | | |
| | | TOP S | SHORT JT @ | 4354.64 | - - | | | | | |
| | | | LC | G OF CAS | SING STRIN | IG: | · · · · · · · · · · · · · · · · · · · | | ······ | |
| PIECES | OD | ITEM - I | MAKE - DESC | CRIPTION | WT/FT | GRD | THREAD | CONDT | LENGT | —— |
| 1 | | Landing Jt | | | 15.5# | J-55 | 8rd | Α | | 14 |
| 161 | 5 1/2" | LT&C CASING | 3 | | 15.5# | J-55 | 8rd | Α | 64 | 31.87 |
| 1 | 5 1/2" | FLOAT COLL | AR | | | - | - | Α | | 0.6 |
| 1 | 5 1/2" | LT&C CASING | 3 | | 15.5# | J-55 | 8rd | Α | | 20.11 |
| 1 | 5 1/2" | GUIDE SHOE | | | | | | | | 0.65 |
| | | | | | | | | | - | |
| | | | | | _ | TOTAL LEN | GTH OF STE | RING | 64 | 67.23 |
| CASING I | NVENTO | RY BAL. | FEET | JTS | | (-) LANDING | JT | | | 14 |
| TOTAL LENGTH | OF STRIN | G | 6467.23 | 162 | | (-) AMOUNT | CUTOFF | | | 0 |
| LESS NON CSG | ITEMS | | 15.25 | _ | | (+) KB ELE\ | /ATION | | | 12 |
| PLUS FULL JTS | LEFT OUT | | 236.6 | 6 | ···· | | | 646 | 5.23 | |
| TOTAL | | | 6688.58 | 168 | COMPARE (SHOULD BE EQUAL) | | | - | | |
| TOTAL CSG. DE | L. (W/O TH | RDS) | 6688.58 | 168 | | - (OHOOLD | DL LQUAL) | | | |
| | | | | | _ | | | | | |
| CEN | ENT DA | ΓA | TIME | DATE | | | | | | |
| BEGIN RUN CSC | 3. | | 3:30 PM | 12/17/2008 | GOOD CIRC T | HRU JOB: | Yes | | | |
| CSG. IN HOLE | | | 8:30 PM | 12/17/2008 | Bbls CMT CIR | C TO SURF | ACE: | 20 | | 0 |
| BEGIN CIRC | | | 8:35 PM | 12/17/2008 | RECIPROCAT | ED PIPE: | N | 9 | EIVED | ₹ |
| BEGIN PUMP CN | ΛT | | 10:00PM | 12/17/2008 | DID BACK PRI | ES. VALVE | HOLD ? | Yes | _ ≥ ; | 0007 C 7 |
| BEGIN DSPL. CN | ΛΤ | | 11:10 PM | 12/17/2008 | BUMPED PLU | G TO: | 2440 | PSI | 3 8 | - |
| LUG DOWN | | | 11:30 PM | 12/17/2008 | | | | | RE(| _ |
| | | | | | | | | | <u> </u> | |
| | | | | CEMEN. | T USED | | | | | |
| EMENT COMPA | NY: | BJ | | | | | | | | |
| STAGE | # SX | | | | EMENT TYPE | & ADDITIVI | ES | | | |
| 1 (lead) | 325 | Premium Lite II | cement + 0.0 |)5 lbs/sack Sta | tic Free + 3% b | wow Potass | ium Chloride | + 0.5 lbs/sacl | c Cello | |
| | | Flake + 2 lbs/sa | ack Kol Seal | - 0.002 gps FP | -6L + 10% bwo | c Bentonite | + 0.5% bwoc | Sodium Meta | silicate | |
| | | + 5 lbs/sack CS | SE-2 + 204.79 | 6 Fresh Water | | | | | | |
| 2 (tail) | 430 | (50:50) Poz (FI | y Ash): Class | G Cement + 0 | .05 lbs/sack Sta | itic Free + 3 | % bwow Pota | ssium Chloric | de + 0.5% | |
| | | bwoc EC-1 + 0. | 25 lbs/sack C | elio Flake + 0. | 002 gps FP-6L | + 2% bwoc | Bentonite + 0 | .3% bwoc So | dium | |
| | | Metasilicate + 5 | 4.7% Fresh \ | Vater | | | | | | |
| ENTRALIZER & | SCRATCH | ER PLACEMEN | NT (SHOW M | AKE & SPACI | NG) | | | | | |
| entralizers - Mi | ddle first, t | op second & t | hird. Then e | very third coll | ar for a total o | f 20. | | | | |
| | | | | | | | | | | |
| | | | | | | | | | | |

COMPANY REPRESENTATIVE Ryan Crum DATE 12/18/2008

, STATE OF UTAH

| * | 5. LEASE DESIGNATION AND SERIAL NUMBER: USA UTU-77339 | | |
|---------------------------------------|--|---|--|
| SUNDRY | Y NOTICES AND REPO | RTS ON WELLS | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | ill new wells, significantly deepen existing wells bel al laterals. Use APPLICATION FOR PERMIT TO | | 7. UNIT or CA AGREEMENT NAME: |
| 1. TYPE OF WELL; OIL WELL | GAS WELL OTHER | · • • • • • • • • • • • • • • • • • • • | 8. WELL NAME and NUMBER: FEDERAL 13-20-8-16 |
| 2. NAME OF OPERATOR: | | | 9. API NUMBER: |
| NEWFIELD PRODUCTION CON | MPANY | | 4301333992 |
| 3. ADDRESS OF OPERATOR: | | PHONE NUMBER | 10. FIELD AND POOL, OR WILDCAT: |
| Route 3 Box 3630 4. LOCATION OF WELL; | CITY Myton STATE UT | ZIP 84052 435.646.3721 | MONUMENT BUTTE |
| FOOTAGES AT SURFACE: 660' FSL 6 | 90' FWL | | COUNTY: DUCHESNE |
| OTR/OTR. SECTION. TOWNSHIP. RANGE. | MERIDIAN: SWSW, 20, T8S, R16E | | STATE: UT |
| 11. CHECK APPRO | PRIATE BOXES TO INDICATE | NATURE OF NOTICE, REPO | ORT, OR OTHER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | |
| | ACIDIZE | DEEPEN | REPERFORATE CURRENT FORMATION |
| NOTICE OF INTENT | I <u>=</u> | = | <u> </u> |
| (Submit in Duplicate) | ALTER CASING | FRACTURE TREAT | SIDETRACK TO REPAIR WELL |
| Approximate date work will | CASING REPAIR | NEW CONSTRUCTION | TEMPORARITLY ABANDON |
| | CHANGE TO PREVIOUS PLANS | OPERATOR CHANGE | TUBING REPAIR |
| | CHANGE TUBING | PLUG AND ABANDON | VENT OR FLAIR |
| SUBSEQUENT REPORT | CHANGE WELL NAME | PLUGBACK | WATER DISPOSAL |
| (Submit Original Form Only) | CHANGE WELL STATUS | PRODUCTION (START/STOP) | WATER SHUT-OFF |
| Date of Work Completion: | COMMINGLE PRODUCING FORMATIONS | RECLAMATION OF WELL SITE | = |
| 01/30/2009 | I = | = | X OTHER: - Weekly Status Report |
| 0.750.2007 | CONVERT WELL TYPE | RECOMPLETE - DIFFERENT FORMATION | |
| | OMPLETED OPERATIONS. Clearly show all s completed on 01/13/09, attached is | | olumes, etc. |
| NAME (PLEASE PRINT) Jentri Park | 1 1 | TITLE Production Clerk | |
| SIGNATURE | | DATE01/30/2009 | |
| | | | |

RECEIVED FEB 0 2 2009

Dally Activity Report

Format For Sundry FEDERAL 13-20-8-16 11/1/2008 To 3/28/2009

12/19/2008 Day: 1

Completion

Rigless on 12/18/2008 - Install 5m frac head. NU 6" 5K Cameron BOP. RU H/O truck & pressure test casing, blind rams, frac head, csg & casing valves to 4500 psi. RU Perforators LLC WLT w/ mast & run CBL under pressure. WLTD @ 6374' & cement top @ 114'. Perforate stage #1, CP5 sds @ 6273-80' w/ 3-1/8" Slick Guns (19 gram, .49"EH. 120°) w/ 4 spf for total of 28 shots. 153 BWTR. SWIFN.

1/8/2009 Day: 2

Completion

Rigless on 1/7/2009 - Day 2a, Stage #1 CP5 sds. RU BJ Services. 120 psi on well. Broke @ 3721 psi. Pumping 3187 psi during pad. Decision was made to skip sand frac on CP5 sds. See day2b. Day 2b, Stage #2 CP2 sds. RU The Perforators, Ilc WLT, crane & Lubricator. RIH w/ Weatherford 5 1/2" 6K composite flow through frac plug & 9', 8' perf guns. Set plug @ 6150'. Perforate CP2 sds @ 5984-93' & 6003-11' w/ 3-1/8" Slick Guns (.49"EH, 19 gram, 120°) w/ 4 spf for total of 68 shots. RU BJ Services. 1840 psi on well. Frac CP2 sds w/ 57,298#'s of 20/40 sand in 495 bbls of Lightning 17 fluid. Broke @ 2604 psi. Treated w/ ave pressure of 2270 psi w/ ave rate of 22.8 BPM. ISIP 2268 psi. Leave pressure on well. 695 BWTR. See day 2c. Day 2c, Stage #3 PB8 sds. RU The Perforators, Ilc WLT, crane & Lubricator. RIH w/ Weatherford 5 1/2" 6K composite flow through frac plug & 8' perf gun. Set plug @ 4850'. Perforate PB8 sds @ 4741-49' w/ 3-1/8" Slick Guns (.49"EH, 19 gram, 120°) w/ 4 spf for total of 32 shots. RU BJ Services. 1838 psi on well. Frac PB8 sds w/ 42,067#'s of 20/40 sand in 383 bbls of Lightning 17 fluid. Broke @ 1859 psi. Treated w/ ave pressure of 2270 psi w/ ave rate of 22.9 BPM. ISIP 2669 psi. Leave pressure on well. 1078 BWTR. See day 2d. Day 2c, Stage #3 PB8 sds. RU The Perforators, Ilc WLT, crane & Lubricator. RIH w/ Weatherford 5 1/2" 6K composite flow through frac plug & 8', 2- 4' perf guns. Set plug @ 4500'. Perforate GB2 sds @ 4400-04',4452-56', 4459-67' w/ 3-1/8" Slick Guns (.49"EH, 19 gram, 120°) w/ 4 spf for total of 64 shots. RU BJ Services. -- psi on well. Frac PB8 sds w/ 42,067#'s of 20/40 sand in 383 bbls of Lightning 17 fluid. Broke @ 1859 psi. Treated w/ ave pressure of 2270 psi w/ ave rate of 22.9 BPM. ISIP 2669 psi, Leave pressure on well. 1078 BWTR. See day 2d.

1/10/2009 Day: 3

Completion

Western #3 on 1/9/2009 - Thaw wellhead & BOP W/ HO trk. Bleed well down. Rec est 50 BTF & turns to oil. RU HO trk & bullhead 15 BW @ 250°F (pressure climbs to 800 psi). RU WLT, flange & lubricator. RIH W/ Weatherford 5 1/2" solid composite plug & set @ 4345'. Bleed well down. RD WLT. ND frac head & BOP. Install 3M production tbg & NU Weatherford Schaeffer BOP. Talley, drift, PU & TIH W/ used 4 3/4" Weatherford "Chomp" bit, bit sub & new 2 7/8 8rd 6.5# J-55 tbg. Tag plug @ 4345'. Tbg displaced 10 BW on TIH. Circ oil & gas f/ well. RU power swivel. Drill out plug in 19 minutes Con't swivelling jts in hole. Tag plug @ 4500'. Drill out plug in 22 minutes. Con't swivelling jts in hole to 4702'. Circ hole clean. Hang back swivel & pull EOT to 4630'. SIFN W/ est 650 BWTR.

1/11/2009 Day: 4

Completion

Western #3 on 1/10/2009 - Thaw wellhead & BOP W/ HO trk. Bleed well down. Rec est 25 BTF (tr oi). RU & pump 20 BW dn tbg. Con't PU & TIH W/ bit and tbg f/ 4630'. Tag fill @ 4745'. PU swivel. Con't C/O sd & drill out composite bridge plugs as follows (using conventional circulation): sd @ 4745', plug @ 4850' in 22 minutes; sd @ 6030', plug @ 6150' in 22 minutes. Hang back swivel & con't PU tbg. Tag fill @ 6402'. PU swivel. Drill plug remains

& sd to PBTD @ 6434'. Circ hole clean. Gained est 20 BTF during cleanout. RD swivel & pull EOT to 6388'. RU swab equipment. IFL @ sfc. Made 10 swb runs rec 105 BTF W/ light gas, tr oil & no sd. FFL @ 600'. RD swab equip. TIH W/ tbg & tag tag PBTD @ 6434' (no new fill). Circ hole W/ clean wtr. Lost est 15 BW & rec tr oil. LD excess tbg. TOH to 5037'. SIFN W/ est 515 BWTR.

1/13/2009 Day: 5

Completion

Western #3 on 1/12/2009 - Thaw well out. Open well w/ 300 psi on casing. TOOH w/ tbg. LD mill & x-over sub. TIH w/ NC, 1 Jts tbg, SN, 1 jt tbg, TA new CDI w/ 45,000# shear, 198 jts tbg. RD BOP's. Set TA @ 6233' w/ 17,000#'s tension w/ SN @ 6268' & EOT @ 6301'. Flush tbg w/ 60 bbls water. Pickup & prime pump. TIH w/ new CDI 2-1/2" x 1-1/2" x 16' x 20' RHAC pump w/ 178"SL, 6- 1-1/2" weight rods, 20- 3/4" guided rods, 125- 3/4" plain rods, 98- 7/8" guided rods, 1-1/2" x 26' polished rod. Space pump. Test tbg & pump to 800 psi. RDMOSU. Left unit down due to surface equipment.

1/14/2009 Day: 6

Completion

Western #3 on 1/13/2009 - Surface equipment repairs complete. 102" SL @ 4 SPM PLACED WELL ON PRODUCTION FINAL REPORT

Pertinent Files: Go to File List

Form 3160-4 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: July 31, 2010

| | | | | BUI | REAU O | F LAND MA | NAGI | EMENT | | | | | | Expires: Ju | uly 31, 2010 |
|------------------------|-------------------------|----------------|--------------|----------------|---------------|--------------------------------|-----------------|------------------------------|-------------|----------------------|-----------------------|-------------------|-------------|------------------------------|---------------------------------------|
| | , | WEL | L CON | IPLET | ION OR | RECOMPLI | ETION | REPORT | AND L | OG | | 5. | Lease S | erial No. | |
| | | | | | | | | | | | | UT | U-773 | 39 | |
| la. Type o | | | Zoil W | ell | Gas Well | Dry | Other | r _ | | ****** | | | | n, Allottee or | Tribe Name |
| b. Type o | f Completi | on: 🔽 | | | Work Ove | er 🗖 Deepen 🕻 | ⊥ Plug l | Back L Dif | f. Resvr., | | | NA 7 | | CA Agraama | nt Name and No. |
| | | | Other: | | | | | - | | | | | DERA | | in Name and No. |
| 2. Name o | f Operator LD EXPL | ORAT | ION C | OMPAN | Y | | | | | | | | | ame and Wel _ 13-20-8-1 | |
| 3. Address | | | | | | | ···- | 3a. Phone | No. (inclu | de area co | de) | | AFI We | | |
| 1 Leastin | | | | | R, CO 80202 | t des | | (435)646 | -3721 | | | | 013-3 | | |
| 4. Locatio | noi wen (| Kepori | посано | n cieariy i | ana in accoi | rdance with Fede | rai requi | irements)* | | | | | | nd Pool or EX ENT BUTTE | |
| At surfa | ^{ice} 660' F | SL & | 690' FV | VL (SW/ | SW) SEC | . 20, T8S, R16 | E | | | | | 11. | Sec., T | ., R., M., on I | Block and |
| | | | | | · | | | | | | | | Survey | or Area SEC | . 20, T8S, R16E |
| At top p | rod. interva | ıl repor | ted belo | w | | | | | | | | | | or Parish | 13. State |
| At total of | denth 646 | 7' | | | | | | | | | | DU | CHES | NE | UT |
| 14. Date S | pudded | | | 15. Date | T.D. Reach | ed | | 16. Date Com | pleted 01 | /13/2009 | | | | | B, RT, GL)* |
| 11/25/20 | | D 4 | 1071 | 12/16/2 | | | | D&A | ✓ Re | ady to Pro | 1. | 555 | 1' GL | 5563' KB | |
| 18. Total I | | D 64 VD | 167. | | 19. P | lug Back T.D.: | MD 6 | 434 | 2 | 0. Depth I | Bridge Plu | ig Set: | MD TVD | | |
| 21. Type I | | | | | | | | | | 2. Was we | | Z | 10 <u></u> | Yes (Submi | |
| | | | | | | IEUTRON,GR, | ,CALIPE | ER, CMT BO | ND | Was Direction | ST run? onal Surve | 1 🔽 9 1 🔽 9y | | l Yes (Submi l Yes (Submi | |
| 23. Casing | g and Liner | Record | l (Repo | rt all strii | igs set in we | ell) | 1 6. | | | | | | | | |
| Hole Size | Size/G | rade | Wt. (# | /ft.) | Top (MD) | Bottom (MI |) St | age Cementer Depth | | f Sks. & f Cement | | y Vol. BL) | Cen | nent Top* | Amount Pulled |
| 12-1/4" | 8-5/8" | | 24# | | | 325' | | | 163 CL | ASS G | | | | | |
| 7-7/8" | 5-1/2" . | J-55_ | 15.5# | | | 6432' | | | | RIMLITE | | | 114' | | |
| | | | <u> </u> | | | | | | 430 50/ | 50 POZ | | | | | |
| | | | | | · | | | | | | | | | | |
| | | | | _ | | | | | | | | | | | · |
| | g Record | | | | | <u></u> | | | | | <u> </u> | | L | | |
| 2-7/8" | | Set (No. 10) | | Packer De | | Size | Dep | pth Set (MD) | Packer Do | epth (MD) | Si | ze | Dep | th Set (MD) | Packer Depth (MD) |
| 25. Produci | | | 1 17 | @ 623 | 4 | | 26. | Perforation I | Record 4 | <u>azion</u> | . 67 | 450 | | | <u> </u> |
| | Formatio | on | | | Тор | Bottom | | Perforated Int | | | Size | No. 1 | Ioles | | Perf. Status |
| A) GREEN | | | | | | | | 5) 6273-80' | | .49" | | 4 | | 28 | |
| B) GREEI C) GREEI | | | | - | | | | 2) 6003-11',5 | | .49" | | 4 | | 68 | |
| D) GREEN | | | | - | | | | 8) 4741-4749 2) see below | | .49" | | 4 | | 32 64 | |
| 27. Acid, Fr | | atment | . Cemen | t Squeez | e. etc. | | (GB | 2) see below | | 1.49 | | 4 | | 04 | |
| | Depth Inter | | | | | | | A | mount an | d Type of I | Material | | | | |
| 6273-6280 | | | | | ed sand fra | | | | | | | | | | |
| 5984-601° 4741-4749 | | | | | | 20/40 snd 495 | | | | | | | | | |
| 4400-4467 | | | | | | 20/40 snd 383 20/40 snd 482 | | | | | | | | | |
| 28. Producti | | al A | | I rac w | 7 34 131# 2 | 20/40 SHQ 402 | טוו צועע | iiu | | | | | | | |
| Date First Produced | Test Date | Hours | | | Oil | | Water | Oil Grav | | Gas | | luction M | | | |
| | 0.4/0.4/00 | Tested | 1 | oduction | BBL | 1 | BBL | Corr. AP | 1 | Gravity | | /2" x 1-1 nger | I/2" x 1 | 6' x 20' RH | IAC Pump w/ SM |
| | 01/31/09 Tbg. Press. | | - 24 | Hr. | 99 Oil | | 54 Water | Gas/Oil | | Wall Cont | | 90. | | | |
| | rog. riess. Flwg. | Press. | Ra | | BBL | 1 | water BBL | Ratio | | Well State | | | | | |
| | SI _ | 1 | - | - | | | | | | | 23 | | | | |
| 28a. Produc | tion - Interv | /al B | | | | <u> </u> | | | | 1 | | | | | |
| Date First | Test Date | Hours | | | Oil | | Water | Oil Gravi | | Gas | Prod | uction M | ethod | | |
| Produced | | Tested | Pro | duction | BBL | MCF I | 3BL | Corr. AP | l | Gravity | 1 | | | | |
| Choke | The Press | Cer | 74 | Ur | l l | Goo | 17-4 | 0107 | | 1V-9.6 | | | | ·· | · · · · · · · · · · · · · · · · · · · |
| | Tbg. Press. Flwg. | Csg. Press. | Ra | Hr. te | Oil BBL | | Water BBL | Gas/Oil Ratio | | Well Statu | | | | _ | |
| | SI | ĺ | - | → | | | | | | | R | ECE | IVE | D | |

^{*(}See instructions and spaces for additional data on page 2)

| | luction - Inte | | | | | | | · · · · · · · · · · · · · · · · · · · | | |
|-------------------------|----------------------------|-----------------------|-----------------------------------|---------------------------|----------------------------------|------------------------------------|--------------------------------------|---------------------------------------|---------------------------------------|-----------------------------|
| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method | |
| Choke Size | Гbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | · · · · · · · · · · · · · · · · · · · | |
| 20a Duad | unation Into | must D | - | | | | | | | |
| Date First | uction - Inte Test Date | Hours | Геst | Oil | Gas | Water | Oil Gravity | Gas | Production Method | |
| Produced | | Tested | Production | BBL | MCF | BBL | Corr. API | Gravity | | |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | | - |
| 9. Dispos | sition of Gas | (Solid, us | sed for fuel, ve | nted, etc.) | <u></u> | ! <u></u> | | | | |
| USED FOR | | | | | | | | | · | |
| | • | | (Include Aqui | , | | | | 31. Format | ion (Log) Markers | |
| Show a includir recover | ng depth inte | zones of perval teste | porosity and co d, cushion use | ontents the d, time to | ereof: Cored i ol open, flowi | intervals and al ng and shut-in | I drill-stem tests, pressures and | GEOLOG | ICAL MARKERS | |
| Formation | | Тор | Bottom | | Descriptions, Contents, etc. | | | | Name | Top Meas. Depth |
| | | | | | | | | | JLCH MRK JLCH 1 | 3936' 4162' |
| | | | | | | | | | JLCH 2 | 4285' 4574' |
| | | | | | | | | | | 4831' 4164' |
| | | | | | | | | DOUGALS O | | 4985' 5242' |
| | | | | | | | | B LIMESTON CASTLE PEA | | 5381' 5888' |
| | | | | | | | | BASAL CARE TOTAL DEPT | BONATE 'H (LOGGERS) | 6314' 6467' |
| 2 4 112 | | | | | · · · · · · | | | | | |
| | | | olugging proce 66', 4400-440 | , | | | | | | |
| | | | | | | | | | | |
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| . Indicate | which item | s have bee | en attached by | placing a | check in the a | ppropriate box | tes: | | | |
| | | | I full set req'd. | | | Geologic Report Core Analysis | □ DST Ro | eport | ☐ Directional Survey | |
| | | | | ed inform | nation is comp | lete and correc | et as determined from | m all available re | cords (see attached instruction | s)* |
| Nan | ne (please p | rint) Tan | nmi Lee | | | _ | Title Productio | n Clerk | | |
| Sign | naturd | CMN. | XXX CO | <u>)</u> | | | Date 02/10/200 | 9 | | ···· |
| le 18 U.S. | .C. Section 1 | 1001 and | Fitle 43 U.S.C. | Section | 1212, make it | a crime for any | person knowingly | and willfully to | make to any department or age | ncy of the United States ar |

(Continued on page 3)